

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D. C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

In the Matter of)
)
Implementation of Section 203 of) MM Docket No. 96-90
The Telecommunications Act of 1996)
(Broadcast License Terms))
)
47 CFR Sections 73.1020 and 74.15)

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COMMENTS OF NATIONAL BROADCASTING COMPANY, INC.

National Broadcasting Company, Inc. (NBC) files these Comments in response to the Notice of Proposed Rule Making ("NPRM") in the above-referenced proceeding.¹ NBC supports the Commission's proposal to extend the license term for television and radio stations to 8 years. NBC believes that lengthening of the license term is fully consistent with the legislative history of the Telecommunications Act of 1996 ("Telecom Act"), will provide broadcasters with more stability and encourage greater capital investment in the industry, and will reduce the administrative burden on the FCC as well as on broadcast licensees. NBC agrees with the Commission's proposal to treat all broadcast licenses the same, with the exception of experimental licenses. Furthermore, NBC believes that the 8 year term should be applied to all renewal applications filed after the effective date of the Telecom Act, without regard to when the proposed rule becomes effective.

¹NBC, directly or through its wholly-owned subsidiaries, is the licensee of 9 full-service television stations.

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I. The FCC's Proposal Implements Congressional Intent and Provides Stability to the Industry While Reducing Administrative Burdens

Section 203 of the Telecom Act amended Section 307(c) of the Communications Act of 1934², by extending the maximum license term for television and radio stations from 5 years and 7 years, respectively, to 8 years. While the statutory language granted the Commission discretion to prescribe the specific license period for particular classes of stations, the legislative history makes it clear that Congress intended the Commission to adopt the maximum term: "The conference agreement. . . extends the license term for broadcast licensees to eight years for both television and radio."³ Thus, the Commission's proposal to extend the term to 8 years is fully consistent with the intent underlying Section 203 of the Telecom Act.

In addition, a longer license term for all broadcast licensees serves the public interest by providing broadcast stations with greater stability as the specter of a license renewal challenge becomes less frequent. This, in turn, is likely to encourage more long-term planning and capital investments in the industry. It may also promote more innovations in programming and service as the station will have a longer period in which to develop a record of performance with previously untested or novel formats. In addition, preparing for license renewal demands a great deal of time and resources on the part of a licensee. Increasing the period between renewal applications will result in a decreased administrative workload and save limited resources.

Similarly, extending the license term will reduce the administrative demands on the agency

²47 U.S.C. Section 307(c).

³S. Conf. Rep. 104-230, 104th Cong. 2d Sess. 164 (1996).

staff and reduce administrative costs. It may also reduce the chance that a renewal application may still be pending at the time the license period ends, thus providing the broadcaster with much needed certainty and stability.

NBC supports the Commission's proposal to treat all classes of broadcast stations uniformly by extending all license terms to 8 years, with the exception of experimental licenses. There is no reason to distinguish among radio, full power television, or low power or translator services. Each of these services will benefit from the stability and reduced administrative burden which will result from a longer license term. In addition, the Commission's current practice of tying the license terms of all auxiliary and booster facilities with the main station license eases the administrative burden on broadcast station licensees, who otherwise would need an intricate record-keeping system to ensure that all licenses were renewed at the appropriate time. NBC supports the Commission's proposal to continue this practice.

II. The New License Term Should Be Applied to All Applications Filed After the Enactment of the Telecom Act.

As recognized by the Commission, the Telecom Act eliminates the distinction between radio and television stations and provides "each license granted for the operation of a broadcasting station shall be for a term of not to exceed 8 years." As a result, all licensees must be treated the same, regardless of when their renewal applications are due in accordance with the FCC's renewal cycle, set forth in Section 73.1020 of the Commission's Rules.

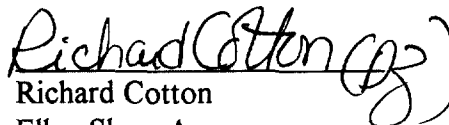
NBC agrees that it is important to maintain the synchronization of the renewal process. As the renewal cycle for television stations has not yet begun, the Commission should expedite this proceeding to make certain that the Congressional intent is implemented by the time the next

cycle begins (i.e. for those stations whose licenses expire October 1, 1996). If the Commission is unable to complete this proceeding prior to that date, the agency must adopt the same plan it proposes for radio licenses -- extend by rule such license terms to 8 years. There is no basis for the Commission to make arbitrary distinctions in license terms among television or radio stations simply based on the agency's own timetable in implementing the legislative intent. Thus, regardless of when the instant proposal is adopted, all renewal applications filed after the enactment of the Telecom Act, which meet the public interest standard, should be granted an 8 year term.

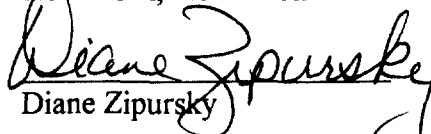
Conclusion

For all the foregoing reasons, NBC urges the Commission to adopt the proposals outlined in the NPRM. These proposals fully implement Congressional intent, will provide broadcasters with greater stability, encourage continued investment in the industry, and reduce the administrative burden on licensees as well as on the agency.

Respectfully submitted,


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